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14 **UNITED STATES DISTRICT COURT**

15 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**

16 QUINTARA BIOSCIENCES, INC., a California
 17 corporation,

18 Plaintiff,

19 vs.

20 RUIFENG BIZTECH INC., a California
 21 corporation, GANGYOU WANG, an individual,
 22 ALEX WONG, an individual, ALAN LI, an
 23 individual, RUI SHAO, an individual, and RF
 24 BIOTECH LLC, a California limited liability
 25 company;

26 Defendants.

27 RUIFENG BIZTECH INC., a California
 28 corporation and GANGYOU WANG, an
 individual;

Counter-Claimant,

vs.

QUINTARA BIOSCIENCES, INC., a California
 corporation, RICHARD SHAN, an individual
 and XUELING ZHAO, an individual;

Counter-Defendants.

CASE NO. 3-20-CV-04808-WHA

**DEFENDANTS' REPLY IN SUPPORT
 OF MOTION TO STRIKE:**

**(1) MISAPPROPRIATION OF TRADE
 SECRETS CLAIM; AND**

(2) FRAUD ALLEGATIONS

**FROM PLAINTIFF'S FIRST AMENDED
 COMPLAINT**

Date: February 11, 2021

Time: 8:00 a.m.

Judge: Hon. William Alsup

Courtroom: 12, 19th Floor

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1 **I. INTRODUCTION**

2 As the Court recalls, this is a garden-variety partnership dispute which Quintara has styled
 3 as a “trade secrets” dispute under the DTSA to invoke federal question jurisdiction. Quintara
 4 unsuccessfully sought an ex parte Temporary Restraining Order claiming its “trade secrets” had
 5 been misappropriated. (Dkt. Nos. 11, 17, 19.) Quintara has since twice failed to identify its alleged
 6 trade secrets with reasonable particularity as required under California law. (Dkt. Nos. 31, 37, 39,
 7 40, 50 and 53.)

8 Quintara has not complied with the Court’s November 18, 2020 Order (Dkt. No. 53) and
 9 avoided describing its alleged trade secrets with reasonable particularity under Code of Civil
 10 Procedure section 2019.210. Based on Quintara’s failed compliance with Section 2019.210, the
 11 Court invited Defendants to bring a Motion to Strike (Dkt. No. 57) consistent with *Jobscience, Inc.*
 12 v. *CVPartners*. 2014 U.S. Dist. LEXIS 64350, 2014 WL 1724763 (N.D. Cal. May 1, 2014)
 13 (“*Jobscience*”). (Dkt. No. 53.) Indeed, after Quintara’s multiple failed efforts, the Court instructed,
 14 “It is time for the parties to graduate from tee-ball.” (*Id.*) Accordingly, Defendants are playing
 15 hardball, and Quintara was just caught looking at a 0 and 2 fastball.

16 Quintara’s Opposition Brief does not address extensive authority setting forth this Court’s
 17 inherent authority to dismiss trade secrets claims for deficient statements under Section 2019.210.
 18 Instead, Quintara relies upon *Whittlestone, Inc. v. Handi-Craft Co.*, 618 F.3d 970 (9th Cir. 2010)
 19 (“*Whittlestone*”), which is inapposite, to try to invoke a “notice pleading” standard under Rule 8.
 20 (Dkt. No. 40.)

21 Quintara’s fraud allegations are also subject to Defendants’ Motion to Strike. In response
 22 to Defendants’ Rule 12(b)(6) motion the Court, ***on its own motion***, dismissed Quintara’s fraud
 23 claim concluding that there was no reasonable reliance. (Dkt. Nos. 28.) The court then afforded
 24 Quintara the opportunity to seek leave to amend to re-allege the reasonable reliance elements of its
 25 fraud claim. (Dkt. Nos. 34, 38, and 42.) Denying leave to amend, the Court concluded “A multi-
 26 million dollar technology company that proceeds through seven years of expansion, business deals,
 27 corporate and employee tax filings, and suspect real estate deals without consulting with counsel
 28

1 has deliberately buried its head in the sand.” (Dkt. No. 49.) The Court’s December 8, 2020 Order
 2 also concluded that Quintara’s various references to Mr. Gangyou Wang’s immigration status were
 3 immaterial because “the party whose reliance must be justified, is Quintara, the multimillion-dollar
 4 technology company operating under California law.” (Dkt. No. 49, p. 3:16-17.)

5 Upon dismissing the fraud claim, the Court then gave Quintara nearly two weeks to modify
 6 its First Amended Complaint. (Dkt. No. 49.) In response, Quintara did very little. Quintara opted
 7 to include the very fraud allegations which the Court concluded could not support a claim because
 8 Quintara’s reliance was facially unreasonable, and the alleged misrepresentations were made to
 9 Quintara’s founders who “are not our plaintiffs.” (Dkt. No. 49, p. 3:16-17.)

10 However it is couched, Quintara cannot escape the Court’s decisive blow to its fraud claim.
 11 None of the various “sham” transactions are relevant to any element of Quintara’s remaining
 12 claims, and are irrelevant as “background facts,” because the Court has already twice determined
 13 there was no reasonable reliance. (Dkt. Nos. 28, 49.) Quintara’s lengthy, convoluted narrative of
 14 “sham” business dealings and Mr. Wang’s alleged “immigration fraud” are thus irrelevant, highly
 15 prejudicial, and unduly time consuming for a jury and the Court to consider in this simple
 16 partnership dispute.

17 II. ARGUMENT

18 A. Defendants’ Motion to Strike Quintara’s Trade Secret Claim Should Be 19 Granted.

20 1. The Court Has Inherent Authority to Dismiss Trade Secret Claims for 21 Failing to Comply with Section 2019.210.

22 The Supreme Court held that a district court possesses inherent powers that are “governed
 23 not by rule or statute but by the control necessarily vested in courts to manage their own affairs so
 24 as to achieve the orderly and expeditious disposition of cases.” *Dietz v. Bouldin*, 136 S. Ct. 1885,
 25 1891 (2016), citing *Link v. Wabash R. Co.*, 370 U.S. 626, 630–31 (1962).

26 To manage its own affairs and to achieve the orderly disposition of cases, this Court has
 27 adhered to the application of Section 2019.210, and concluded that:

Consistent with this approach, judges in our district — including the undersigned judge — faced with deficient disclosures under Section 2019.210 have routinely entertained defense motions to defeat trade secret misappropriation claims after commencement of discovery, whether styled as a ‘motion to strike,’ ‘motion for summary judgment,’ or something else. *See, e.g., Openwave Messaging, Inc. v. Open-Xchange, Inc.*, 2018 U.S. Dist. LEXIS 17776, 2018 WL 692022, at *4 (N.D. Cal. Feb. 2, 2018) (Judge William Orrick) (examining adequacy of Section 2019.210 disclosure on motion for summary judgment); *Bladeroom Grp. Ltd. v. Facebook, Inc.*, 2018 U.S. Dist. LEXIS 10905, 2018 WL 514923, at *3-5 (N.D. Cal. Jan. 23, 2018) (Judge Edward Davila) (same); *Waymo LLC v. Uber Techs., Inc.*, 2017 U.S. Dist. LEXIS 182197, 2017 WL 5000352, at *7-9 (N.D. Cal. Nov. 2, 2017) (Judge William Alsup) (granting overlapping motions to strike and for summary judgment on trade secret misappropriation claim); *Jobscience, Inc. v. CVPartners, Inc.*, 2014 U.S. Dist. LEXIS 64350, 2014 WL 1724763, at *2-4 (N.D. Cal. May 1, 2014) (Judge William Alsup) (granting motion to strike and dismissing trade secret misappropriation claim); *Art of Living Found. v. Doe*, 2012 U.S. Dist. LEXIS 61582, 2012 WL 1565281, at *23 (N.D. Cal. May 1, 2012) (Judge Lucy Koh) (inviting motion for summary judgment on trade secret misappropriation claim).

Swarmify, Inc. v. Cloudflare, Inc., 2018 U.S. Dist. LEXIS 91333, at *5 (N.D. Cal. May 31, 2018, No. C 17-06957 WHA); see also *Cisco Sys. v. Chung*, 2020 U.S. Dist. LEXIS 240028 (N.D. Cal. Dec. 21, 2020, No. 19-cv-07562-PJH) (motion to strike procedurally permissible); *Dietz v. Bouldin*, 136 S. Ct. 1885, 1892 (2016) (It is well-established that a district court maintains “inherent authority to manage their dockets and courtrooms with a view toward the efficient and expedient resolution of cases.”). Such authority includes the court’s ability to enforce its prior orders. *Yusov v. Yusuf*, 92 F.2d 784, 787 (9th Cir. 1989).

In *Swarmify, Inc. v. Cloudflare, Inc.*, 2018 U.S. Dist. LEXIS 91333, at *8, this Court explained:

Gamesmanship, even if well-disguised at the outset, tends to come into clearer focus as litigation progresses. For example, it becomes easier to pinpoint how vaguely-alleged trade secrets may have functioned as moving targets, and how the plaintiff may have taken advantage of the shifting sands of litigation to evade counterarguments. These developments may cast the unreasonableness of the initial disclosure into sharp relief in light of how the alleged trade secrets evolved over time. In such cases, a plaintiff that merely postpones reckoning with Section 2019.210 early on may eventually find that the consequences of their evasions come home to roost in the form of an adverse ruling on the entire trade secret misappropriation claim. *See, e.g., Waymo*, 2017 U.S. Dist. LEXIS 182197, 2017 WL 5000352, at *7-9.

1 Quintara completely fails to address any of the well-established authority, including that
 2 from this Court, that a court may dismiss a plaintiff's trade secret claim for failing to comply with
 3 Section 2019.210.

4 **2. Like the Plaintiff in *JobScience*, Quintara Fails to Comply With
 5 Section 2019.210 and This Court's Orders.**

6 The Court's November 18, 2020 Order (Dkt. No. 40) and this Court's December 22, 2020
 7 Order (Dkt. No. 53) are based on the Court's prior ruling in dismissing a plaintiff's trade secrets
 8 claims for failing to comply with Section 2019.210 under *Jobscience*. Notably, Quintara's
 9 Opposition Brief does not mention *Jobscience*.

10 In *Jobscience*, to the "dubious nature" of plaintiff's alleged trade secrets, the Court issued
 11 an order specifically requiring the plaintiff to provide a detailed statement of trade secrets pursuant
 12 to Section 2019.210. That order stated:

13 For each trade secret, plaintiff must file, and serve on counsel, a statement, under
 14 seal, that should include:

- 15 (1) a summary of the specific trade secret;
- (2) the background of the trade secret and a description of how each secret has
 16 derived independent, actual or potential economic value by virtue of not being
 generally known to the public;
- (3) a description of how each secret has been the subject of reasonable efforts to
 maintain its secrecy; and finally
- (4) each of the precise claimed trade secrets, numbered, with a list of the specific
 elements for each, as claims would appear at the end of a patent.

18 *Jobscience*, 2014 WL 1724763, at *2.

19 The very same order is issued in this case. This Court's November 18, 2020 Order stated:

21 For each trade secret, plaintiff must file, and serve on counsel, a statement, under
 seal, that should include: (1) a summary of the specific trade secret; (2) the
 22 background of the trade secret and a description of how each secret has derived
 independent, actual or potential economic value by virtue of not being generally
 known to the public; (3) a description of how each secret has been the subject of
 reasonable efforts to maintain its secrecy; and finally (4) each of the precise claimed
 trade secrets, numbered, with a list of the specific elements for each, as claims
 would appear at the end of a patent.

25 (Dkt. No. 40.)

26 In *JobScience*, this Court found that while defendants styled their motion as a motion to
 27 strike, defendants "essentially move to dismiss the misappropriation of trade secrets claim based
 28

1 on inadequate disclosure in [plaintiff's] statement of trade secrets." *Jobscience*, 2014 WL 1724763,
 2 at *2. Here, Defendants adopted the same approach for the same reasons.

3 Quintara's Amended Disclosure falls short from the basic requirements under Section
 4 2019.210 and this Court's November 18, 2020 Order. Defendants chronicled each of these
 5 deficiencies in their December 3, 2020 Motion for Protective Order (Dkt. Nos. 31, 37, 39 and 40)
 6 and in their January 21, 2021 Motion for Protective Order. (Dkt. Nos. 50, 53.) Quintara failed to
 7 satisfy the requirements of Section 2019.210 and failed to comply with this Court's November 18,
 8 2020 Order. Quintara fails to explain how its alleged trade secrets are unknown to those skilled in
 9 the field, or distinct from the state of the art. (Dkt No. 57, pp. 11-20.)

10 As this Court noted in *Jobscience*:

11 Experience has shown that it is easy to allege theft of trade secrets with vagueness,
 12 then take discovery into the defendants' files, and then cleverly specify what ever
 13 happens to be there as having been trade secrets stolen from plaintiff. A true trade
 14 secret plaintiff ought to be able to identify, up front, and with specificity the
 15 particulars of the trade secrets without any discovery. This order will not allow this
 16 old trick of vague pleading with the blanks to be artfully filled in only after
 17 discovery.

18 2014 WL 1724763, at *2.

19 It is stunning that Quintara previously sought to shut down Defendants operations by
 20 seeking a TRO claiming its "trade secrets" were misappropriated. (Dkt. Nos. 11, 17 and 19.)
 21 Months later, after several failed attempts, it cannot, even under threat of dismissal, define what its
 22 "trade secrets" are in a manner consistent with California law and this Court's November 18, 2020
 23 Order. (Dkt. No. 40.) Quintara should suffer the same fate as the plaintiff in *Jobscience*.

24 3. Quintara's Misplaced Reliance Upon *Whittlestone*.

25 Quintara's reliance upon *Whittlestone, Inc. v. Handi-Craft Co.*, 618 F.3d 970 (9th Cir. 2010)
 26 is misplaced. According to Quintara, Rule 12(f) no longer exists as a vehicle to dismiss improper
 27 pleadings, and has somehow been replaced by the standard found in Rule 12(b)(6). (Dkt. No. 62,
 28 pp. 5:15-17.) This Court in *Jobscience* actually addressed Quintara's nomenclature concern and
 concluded:

Even though defendants styled this motion as a "motion to strike," they essentially
 move to dismiss the misappropriation of trade secrets claim based on inadequate

1 disclosure in Jobscience's statement of trade secrets. 2014 WL 1724763, at *2.

2 Indeed, *Whittlestone* actually acknowledges that "Rule 12(f) of the Federal Rules of Civil
3 Procedure states that a district court "may strike from a pleading an insufficient defense or any
4 redundant, immaterial, impertinent, or scandalous matter." *Id.* at 973. That is precisely what this
5 Court should do under its well-established authority cited in Section II.A.1, *supra*.

6 Quintara's reliance upon *Whittlestone* is misplaced. *Whittlestone* was a dispute arising in
7 diversity jurisdiction over the alleged breach of a twenty-year term contract, which was
8 terminated in year two by the defendants. *Id.* at 971. The contract expressly provided:

9 d. Neither party, by reason of the termination or nonrenewal of this Agreement for
10 any or all of the Whittlestone Products, shall be liable to the other for compensation,
reimbursement or damages because of the loss of anticipated sales or prospective
11 profits or because of expenditures, investments, leases, property improvements or
other matters related to the business or good will of either party.

12 *Id.* at 972. Plaintiff sought lost profits and consequential damages which directly contravened the
13 twenty-year term contract's express term. "Handi-Craft argues that *Whittlestone*'s claim for lost
14 profits and consequential damages should be stricken from the complaint, because such damages
15 are precluded as a matter of law." *Id.* at 974. *Whittlestone* had nothing do to with compliance with
16 Section 2019.210, and held that "Rule 12(f) of the federal rules of civil procedure does not authorize
17 a district court to dismiss a claim for damages on the basis that it is precluded as a matter of law."
18 *Id.*, at 975. It has no application to this case.

19 Further, the *Whittlestone* court expressly concluded: "Thus, we begin our analysis by
20 determining whether *Whittlestone*'s claim for lost profits and consequential damages was: (1) an
21 insufficient defense; (2) redundant; (3) immaterial; (4) impertinent; or (5) scandalous. It is quite
22 clear that none of the five categories covers the allegations in the pleading sought to be stricken by
23 HandiCraft." *Id.* at 973-74. Here, in contrast, the Court *had already forewarned Quintara that its*
24 *2019.210 statement was deficient*, and advised it of the consequences that its continued failure to
25 comply with Section 2019.210 would cause a dismissal under *JobScience*. (Dkt Nos. 40 and
26 53.) Quintara conveniently fails to mention the Court's prior warning and *Whittlestone*'s
27 considerably different procedural posture.

1 *Whittlestone* is actually helpful to Defendants and recognizes: “The function of a 12(f)
 2 motion to strike is to avoid the expenditure of time and money that must arise from litigating
 3 spurious issues by dispensing with those issues prior to trial....” *Whittlestone*, 618 F.3d at 973
 4 citing *Fantasy, Inc. v. Fogerty*, 984 F.2d 1524, 1527 (9th Cir.1993) (quotation marks, citation,
 5 and first alteration omitted), rev’d on other grounds by *Fogerty v. Fantasy, Inc.*, 510 U.S. 517,
 6 114 S.Ct. 1023, 127 L.Ed.2d 455 (1994). Quintara has twice demonstrated that it is unable to
 7 describe its trade secrets with any reasonable particularity. Its misappropriation of trade secrets
 8 claim should be stricken and/or dismissed under the authority cited above in Section II.A.1.

9 **4. The Applicable Legal Standard and Quintara’s Diversionary Tactics.**

10 Quintara’s reliance upon *Alta Devices, Inc. v. LG Electronics, Inc.*, 343 F. Supp. 3d 868,
 11 880–81 (N.D. Cal. 2018) is also misplaced. *Alta Devices* did not involve a plaintiff which had
 12 repeatedly failed to comply with Section 2019.210 and been warned of the consequences of doing
 13 so again, rather it was a challenge to the allegations in the complaint. *Id.* at 882.

14 Quintara’s reliance upon *TMX Funding, Inc. v. Impero Technologies, Inc.*, No. C 10-00202
 15 JF (PVT), 2010 WL 2509979 (N.D. Cal. June 17, 2010) is likewise misplaced. Like *Alta Devices*,
 16 the plaintiff in *TMX Funding* faced a challenge to the face of its complaint, not whether it had
 17 complied with the more exacting standards found under Code of Civil Procedure section
 18 2019.210. Certainly, the plaintiff in *TMX Funding* had not also twice failed to comply with Section
 19 2019.210, and been warned of the consequences.

20 Quintara then resorts to pejoratives and claims that Defendants are raising a “mutilation
 21 defense” to its business categories (Categories 1-6) because Quintara admits that its collected or
 22 compiled information consists of publicly available information. (Dkt No. 62, pp. 10:12-11:12.)
 23 Quintara’s cited authority that its alleged trade secrets are compiled from public information, *are*
 24 all cases from *before* the Defend Trade Secrets Act’s May 2016 effective date. By doing so,
 25 Quintara fails to differentiate its alleged trade secrets from “truly secret information” and that which
 26 has been publicly disclosed. (*Whyte v. Schlage Lock Co.*, 101 Cal. App. 4th 1444, 1454 (2002)),
 27 and disregards the DTSA’s definition of a “trade secret” which excludes information which is
 28

1 “readily ascertainable by proper means.” 18 U.S.C. § 1839(3)(B).

2 Quintara cites no authority where the customers are well-known throughout the industry for
 3 needing DNA sequencing services (i.e., Stanford, UCSF, Johns Hopkins), that a compilation of
 4 Stanford’s, UCSF’s or John Hopkins’ employees’ contact information can possibly qualify as a
 5 trade secret. If that perverse outcome were allowed, a competitor could wall-off obvious, large,
 6 well-known customers from a competitor on the grounds that it “compiled” information about the
 7 contact information of the customers’ employees.

8 In apparent desperation, Quintara next claims:

9 Defendants made recurring arguments that fault Plaintiff for not identifying features to
 10 distinguish its trade secrets from the “state of the art” or “prior art” based on the knowledge of those
 11 “skilled in the field.” *See, e.g.*, Mo. at 18, 19. This is a law that is entirely made up by Defendants, by
 12 confounding patents with trade secrets.

13 (Opposition, p. 12:5-8.)

14 After being repeatedly warned by the Court that its DTSA claim would face dismissal unless
 15 it complied with Section 2019.210 (Dkt. Nos. 40, 53), one would expect that Quintara would
 16 review the leading case under Section 2019.210, *Advanced Modular Sputtering v. Superior Court*,
 17 132 Cal. App. 4th 826 (2005), which provides that under Section 2019.210:

18 The degree of “particularity” that is “reasonable” will differ, depending on the
 19 alleged trade secrets at issue in each case. Where, as here, the alleged trade secrets
20 consist of incremental variations on, or advances in the state of the art in a highly
specialized technical field, a more exacting level of particularity may be required
21 to distinguish the alleged trade secrets from matters already known to persons
skilled in that field. Nothing in section 2019.210 precludes the trial court from
 22 considering relevant *evidence, including expert witness declarations*, on the
 23 adequacy of a designation to describe the alleged trade secrets and distinguish *them*
from prior art.

24 *Id.* at 836, emphasis added. It is time to end this baseless “trade secrets” dispute.

25 **5. Quintara Offers No Evidence to Support Its Opposition.**

26 When Defendants initially moved for a protective order, they relied upon the testimony of
 27 Dr. Dehua Zhao, a prominent Senior Research Scientist at Stanford University, to address the
 28 deficiencies in Quintara’s trade secret disclosure statement. (Dkt. No. 31, Part 2.) In response,

1 Quintara offered the sworn testimony of Mr. Shan to explain why its September 29, 2020 two-page
 2 Section 2019.210 Statement was sufficient. (Dkt. No. 37, Part 1.) As set forth in Defendants'
 3 Motion for a Protective Order (Dkt. No. 31), under *Advanced Modular Sputtering*, experts play an
 4 important role in determining whether the incremental advances claimed to be trade secrets are
 5 unknown to those skilled in the field and distinguishable from the prior art. *Advanced Modular*
 6 *Sputtering, Inc., supra*, 132 Cal. App. 4th at 835-36.

7 Absent from Quintara's Opposition papers are any expert declarations (or any evidence
 8 whatsoever) explaining how its alleged trade secrets are distinguishable from what is known to
 9 those skilled in the field and distinguishable from the prior art. The fact that Mr. Shan would not
 10 offer his sworn testimony that the alleged trade secrets are distinguishable from matters known to
 11 those skilled in the field and distinguishable from the prior art speaks volumes. *Advanced Modular*
 12 *Sputtering, supra*, 132 Cal. App. 4th at 836.

13 For its technical and scientific topics (Categories 7-10), Quintara's Opposition Brief argues
 14 that certain information can qualify as a trade secret. (Dkt. No. 62, pp. 16:6-17:16.) The issue is
 15 not whether or not information could theoretically qualify as a trade secret -- the issue is whether
 16 the claimed trade secrets are distinguishable from matters known to those skilled in the field and
 17 distinguishable from the prior art. *Advanced Modular Sputtering, supra*, 132 Cal. App. 4th at 836.
 18 Having been warned of the risk of dismissal, Quintara provides no evidence on that central issue.
 19 Quintara swung and missed that 0 and 2 fastball.

20 **6. Quintara Continues to Play Hide-the-Ball.**

21 Keeping up with its constant hide-the-ball tactics, when Quintara served its Amended
 22 Disclosure on December 2, 2020, it was designated as "Trial Counsel's Eyes Only" by Quintara's
 23 counsel. As before, Defendants' counsel sought to have Dr. Zhao review the Amended Disclosure.

24 On December 8, 2020, Quintara's counsel rejected Defendants' request to permit Dr. Zhao
 25 to review the Amended Disclosure. (Dkt. No. 50, Part 1, Ex. E.) Defendants' counsel then
 26 proceeded to file its Motion for a Protective Order (Dkt. No. 50) and a subsequent Motion to Strike
 27 (Dkt No. 57) supported by the declaration of its trial counsel.

1 Now, for the first time in their opposition to the Motion to Strike, Quintara has abandoned
 2 its “Trial Counsel’s Eyes Only” designation of its Amended Trade Secrets Disclosure Statement
 3 affording it no protection (except for a handful of redacted words) only after Defendants moved
 4 for a Protective Order and brought their Motion to Strike. (Dkt. No. 62, pp. 3:9-11; see Attachment
 5 A to Opposition Brief.) The Court should not tolerate such gamesmanship which is clearly intended
 6 to thwart Defendants’ efforts to provide expert testimony about the gaping holes in Quintara’s
 7 Amended Disclosure.

8 **B. Quintara’s Fraud Allegations in the Amended Complaint Should Be Stricken.**

9 Quintara’s opposition with regard to its improper fraud allegations misses the mark. When
 10 the Court ruled that Quintara’s reliance upon the alleged fraud claim was unreasonable and
 11 dismissed its claims, that not only disposed of the fraud claim, but also rendered irrelevant
 12 Quintara’s allegations of the “Oral Loan Agreement,” the “Sham Collaboration Agreement,” the
 13 “Sham Services Contract,” the “Sham Lease Switch” and the “Termination of the Oral Loan
 14 Agreement.” (Dkt. No. 49.)

15 Quintara tries to resuscitate these facts by claiming they are “background facts” to support
 16 its Section 17200¹ claim, Conversion claim, or its prayer for punitive damages claim. Mr. Wang’s
 17 immigration status and the various “sham” transactions are irrelevant to proving the elements of
 18 those claims, particularly after this Court twice concluded that Quintara’s reliance was not
 19 reasonable (Dkt. No. 28, 49.) As “background” facts, they are rendered irrelevant because Quintara
 20 cannot establish its reasonable reliance. Thus, however repackaged, Quintara cannot escape this
 21 Court’s ruling on its lack of reasonable reliance.

22 “[W]hen the motion may have the effect of making the trial of the action less complicated,
 23 or ... streamlining the ultimate resolution of the action, the motion to strike will be well taken.”
 24 *California ex rel. State Lands Comm’n v. United States*, 512 F. Supp. 36, 38 (N.D. Cal. 1981).

25
 26

¹ Quintara cites *Comm. On Children’s Television, Inc. v. Gen. Foods Corp.*, 35 Cal. 3d 197, 211 (1983), and argues
 27 that “actual fraud” is not required for a claim under Section 17200, but “only to show that members of the public are
 28 likely to be deceived.” (Opposition, p. 20:26-28.) This reference is taken out of context and irrelevant. *Comm. On
 Children’s Television* involved a deceptive advertising scheme directed at the public. Here, this is a garden-variety
 private partnership dispute.

1 Quintara's improper pleading invites irrelevant, time-consuming historical testimony about issues
 2 which, as a matter of law, have no legal consequence because this Court concluded its reliance was
 3 facially unreasonable, and the alleged misrepresentations were made to Quintara's founders who
 4 "are not our plaintiffs." (Dkt. No. 49, p. 3:16-17.) As a result, Quintara's fraud claim and the
 5 irrelevant allegations about the various "sham" business transactions supporting the fraud claim
 6 should be stricken under Rule 12(f).

7 **III. CONCLUSION**

8 Quintara has had multiple opportunities to disclose its alleged misappropriated trade secrets
 9 in compliance with Code of Civil Procedure § 2019.210, after requests from Defendants and an
 10 order from the Court. Quintara chose to ignore these warnings. Quintara also ignored the legal
 11 standard, and provided no evidence to explain how its "trade secrets" are distinguishable from
 12 matters already known to persons skilled in the field and from the prior art. Quintara should suffer
 13 the same fate as the plaintiff in *JobScience, Inc. v. CVPartners, Inc., supra*, No. C 13-04519 WHA,
 14 2014 WL 1724763.

15 Quintara's allegations concerning fraud should also be stricken as the Court has already
 16 found that Quintara's fraud claim may not proceed. Given that this Court has already disposed of
 17 Quintara's fraud claim, the allegations which support Quintara's dismissed claim are irrelevant,
 18 unduly time-consuming, immaterial and impertinent.

19 DATED: January 25, 2021

BUCHALTER
 20 A Professional Corporation

21 By:



22 DYLAN W. WISEMAN
 23 Attorneys for Defendants and Cross-
 24 Complainants RUIFENG BIZTECH INC. and
 25 GANGYOU WANG, Defendants ALEX
 26 WONG, ALAN LI, RUI SHAO, and RF
 27 BIOTECH LLC

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DEFENDANTS' REPLY ISO MOTION TO STRIKE: (1) MISAPPROPRIATION OF TRADE SECRETS
 CLAIM; AND (2) FRAUD ALLEGATIONS FROM PLAINTIFF'S FIRST AMENDED COMPLAINT; No.
 3:20-cv-04808-WHA